CITY HALL COUNCIL CHAMBERS
SANTA MARIA, CALIFORNIA
REGULAR MEETING

NOVEMBER 4, 2008

CALL TO ORDER:
Mayor Lavagnino called the Regular Meeting of the City Council to order at 5:30 p.m.

ROLL CALL:
MEMBERS PRESENT
Councilmembers Orach, Patino, Trujillo, and Mayor Lavagnino

MEMBERS ABSENT
Councilmember Zacarías

PUBLIC COMMENT:
There were none at this time.

RECESS:
Mayor Lavagnino recessed to a Closed Session at 5:34 p.m. for Conference with Real Property Negotiators pursuant to Government Code Section 54956.8: Property Address-1111 W. Betteravia Road, Agency Negotiators - City Manager and City Attorney, Negotiating Parties - Rob Rossi, and Under Negotiation - Price and Terms of Payment; and Conference with Labor Negotiators pursuant to Section 54957.6 of the Government Code: Agency Representative - Assistant City Manager; Employee Organization - Santa Maria Police Officers Association (SMPOA).

RECONVENE:
Mayor Lavagnino reconvened the Regular City Council meeting at 6:30 p.m.

CLOSED SESSION REPORT:
City Manager Ness reported on the action taken in the Closed Session:

Conference with Real Property Negotiators – Direction to staff was given to purchase the property at 1111 W. Betteravia for a new Police Station.

Conference with Labor Negotiators – Information only, no action was taken.

INVOCATION:
Pastor Dave Brogen of Heritage Community Church gave the invocation.

PLEDGE OF ALLEGIANCE TO THE FLAG:
Councilmember Trujillo led the Pledge of Allegiance.

ROLL CALL:
MEMBERS PRESENT
Councilmembers Orach, Patino, Trujillo, Zacarías (arrived 6:35 p.m.), and Mayor Lavagnino

STAFF MEMBERS PRESENT
City Manager Ness, City Attorney Trujillo, Assistant City Manager Haydon, Director of Public Works/City Engineer Whitehead, Director of Community Development Lindsey, Police Chief Macagni, Fire Chief Ortiz, Director of Utilities Sweet, Director of Administrative Services Snodgrass, Director of Recreation and Parks Posada, City Librarian Buchanan, Planner III Halverson, Advance Planner Smith, and Chief Deputy City Clerk Perez.

ANNOUNCEMENTS:
Councilmember Trujillo indicated that at the last City Council meeting he made some comments regarding the election this evening that were out of place. He apologized to the Mayor, members of the City Council, and the public.

RESOLUTION – MILITARY APPRECIATION NIGHT
Mayor Lavagnino read Resolution No. 2008-164 designating the evening of Saturday, November 8, 2008, as "Military Appreciation Night" when Vandenberg Air Force Base personnel will be honored at a special half-time event at the football game between the Allan Hancock College Bulldogs and the Ventura College Pirates.

Resolution No. 2008-164 was adopted on motion by Mayor Lavagnino, seconded by Councilmember Patino, and carried on the following vote:

AYES: Councilmembers Orach, Patino, Trujillo, Zacarías, and Mayor Lavagnino
NOES: None
ABSENT: None
ABSTAIN: None

Resolution No. 2008-164 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA DESIGNATING THE EVENING OF SATURDAY, NOVEMBER 8, 2008, AS MILITARY APPRECIATION NIGHT.

The resolution was accepted by Bob Hatch, President/CEO of the Santa Maria Valley Chamber of Commerce, and Roger Welt, Vice President of Student Services at Allan Hancock College.

GEM AWARD
City Manager Ness presented the quarterly "Going the Extra Mile (GEM)" Award to the Information Technology Division Team consisting of Teri Maa, Whitney McCarthy, Mike Davis, Michael Spears, Richard Cunningham and Michelle Aquino in recognition of their outstanding teamwork and dedication under deadline pressure to ensure that the new Public Library had a fully functioning computer network.

PROCLAMATION – NATIONAL AMERICAN INDIAN HERITAGE MONTH
Councilmember Zacarías read a proclamation declaring the month of November 2008 as "National American Indian Heritage Month" in the City of Santa Maria and urging the residents to observe this month and participate in the appropriate programs, ceremonies and activities. The proclamation was accepted by Mary Munding, American Indians Committee Chairperson, and Susan Clack, National Society Daughters of the American Revolution.

PROCLAMATION – NATIONAL METHAMPHETAMINE AWARENESS MONTH
Councilmember Patino read a proclamation declaring the month of November 2008 as National Methamphetamine Awareness Month" in the City of Santa Maria and urging the community to become educated about the negative societal and economic effects of methamphetamine use. The proclamation was accepted by representatives of Fighting Back Santa Maria Valley, Good Samaritan Shelter, and Family and Youth Services.

PUBLIC COMMENT
Ernest Armenta thanked the voters who voted for him. He talked about the North Santa Barbara County jail and a parcel tax to pay for the jail. He asked if the City was planning a sales tax measure if Measure A did not pass. He also talked about the differences in requirements for security guards for the four Entertainment Licenses on the Consent Agenda.

Bob Ziener complimented the Council for an outstanding term. He spoke about the newly energized Santa Maria Men's Club and offered to help with any City projects.

Peggy Jordan spoke about a Trans-National Drug Gang bust in Santa Barbara and said she felt for the City Council and the problems the Council had to face and thanked the Council for keeping the citizens safe.

Paula James distributed pictures from the border with Mexico before and after the border fence was installed and said the Minuteman Civil Defense Corp had been down there fighting to secure the borders for three years.

Billy and Danny Aguilar, 3rd Coast Café, thanked the City for approving their Entertainment License. They had intended to have a fine dining restaurant but have added a nightclub element because of the economy.

CONSENT CALENDAR
Councilmember Zacarías requested Item H be pulled for comment, and Councilmember Orach requested Item J be pulled for comment.

Item 3H – Entertainment License for 3rd Coast Cafe
Councilmember Zacarías stated the City was really trying to provide options for small business owners. She appreciated the tenacity of business owners who didn't know the process. She wished the owners all the best and thanked staff for all the hard work on the 3rd Coast Café Entertainment License.

Item 3J – Caltrans Gateway Monument Sign
Councilmember Orach stated the All-America City Committee approved this concept several months ago and would be doing some fundraising to help pay for the sign.

Consent Calendar Items A through L were approved on motion by Councilmember Orach, seconded by Councilmember Zacarías, and carried on the following vote:

AYES: Councilmembers Orach, Patino, Trujillo, Zacarías, and Mayor Lavagnino
NOES: None
ABSENT: None
ABSTAIN: None

A. ORDINANCES
The reading in full of all ordinances and resolutions was waived. Ordinances on the Consent Calendar were adopted by the same vote cast at the first reading unless City Council indicated otherwise.

B. MINUTES
The Minutes of the Regular City Council Meeting of October 21, 2008, were approved as submitted.

C. WARRANTS
Warrant Nos. 145917 to 146280 in the amount of $2,486,395.05 were ordered ratified subject to having been certified as being in conformity with the budget and having been approved for payment by the Director of Administrative Services. Warrant Nos. 145458, 145501, and 145835 were cancelled.

D. PAYROLL
Payment of payroll was ordered ratified subject to having been certified by the proper Department Heads, as shown on records on file in the Department of Administrative Services and having been approved for payment by the Director of Administrative Services.

E. ENTERTAINMENT LICENSE
Resolution No. 2008-165 was adopted approving an Entertainment License for La Hacienda Restaurant, located at 312 W. Main Street, to allow entertainment in the form of disc jockey music and dancing subject to certain conditions.

Resolution No. 2008-165 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING AN ENTERTAINMENT LICENSE FOR LA HACIENDA RESTAURANT.

F. ENTERTAINMENT LICENSE
Resolution No. 2008-166 was adopted approving an Entertainment License for Maretti's Saloon, located at 221 N. Broadway, to allow entertainment in the form of disc jockey or live music and dancing subject to certain conditions.

Resolution No. 2008-166 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING AN ENTERTAINMENT LICENSE FOR MARETTI'S SALOON.

G. ENTERTAINMENT LICENSE
Resolution No. 2008-167 was adopted approving an Entertainment License for The Office Restaurant, located at 2712 Santa Maria Way, to allow entertainment in the form of disc jockey music and dancing subject to certain conditions.

Resolution No. 2008-167 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING AN ENTERTAINMENT LICENSE FOR THE OFFICE RESTAURANT.

H. ENTERTAINMENT LICENSE
Resolution No. 2008-168 was adopted approving an Entertainment License for 3rd Coast Café, located at 323 Town Center West, Ste. A, to allow entertainment in the form of disc jockey, live music and dancing subject to certain conditions.

Resolution No. 2008-168 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING AN ENTERTAINMENT LICENSE FOR 3RD COAST CAFÉ.

I. ORDINANCE NO. 2008-27
Council conducted the second reading of Ordinance No. 2008-27 making technical amendments to the Municipal Code by title only and adopted the ordinance.

Ordinance No. 2008-27 adopted. AN ORDINANCE OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, AMENDING VARIOUS SECTIONS OF THE SANTA MARIA MUNICIPAL CODE, RELATING TO CITATION AUTHORITY, DOG CONTROL, AND BUILDING REGULATIONS.

J. GATEWAY MONUMENT SIGN
Resolution No. 2008-169 was adopted approving a gateway monument sign to be located on the west side of the Highway 101 Southbound Broadway Exit within the Highway right-of-way (SP-2006-021).

Resolution No. 2008-169 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING A GATEWAY MONUMENT SIGN TO BE LOCATED ON THE WEST SIDE OF THE HIGHWAY 101 SOUTHBOUND BROADWAY EXIT WITHIN THE HIGHWAY RIGHT-OF-WAY, FILE NO. SP-2006-021.

K. CALL FOR BIDS
Council gave approval to call for bids on the plans and specifications for South Blosser Road Waterline Construction, Bid No. 2009/09.

L. NO STOPPING ZONES
Resolution No. 2008-170 was adopted approving the establishment of no stopping zones on Alvin Avenue and Palisades Drive and on Alvin Avenue and Stokes Avenue.

Resolution No. 2008-170 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, ADOPTING NO STOPPING ZONES ON ALVIN AVENUE AND PALISADES DRIVE PURSUANT TO SECTION 7-5.16 OF THE SANTA MARIA MUNICIPAL CODE.

At this time, Mayor Lavagnino convened a Joint Meeting of the City Council and Redevelopment Agency for the following Consent Calendar item only.

JOINT CITY COUNCIL/REDEVELOPMENT AGENCY CONSENT CALENDAR:

ROLL CALL:
MEMBERS PRESENT: Councilmembers/Boardmembers Orach, Patino, Trujillo, Zacarías and Mayor/Chairperson Lavagnino

M. ORDINANCES 2008-25 AND -26 AND RDA ORDINANCES 2008-01 AND -02

The Council and the Redevelopment Agency conducted the second reading of City Council and Redevelopment Agency Joint Ordinance Nos. 2008-25 and 2008-01 adopting the Downtown Specific Plan, amending Title 12 (Chapter 3) of the Santa Maria Municipal Code, and amending the Entrada Specific Plan; and Ordinance Nos. 2008-26 and 2008-02 rezoning approximately 265 acres of property located within the Downtown Specific Plan Area, and adopted the Ordinances on motion by Councilmember/ Boardmember Orach, seconded by Councilmember/Boardmember Patino, and carried on the following vote:

AYES: Councilmembers/Boardmembers Orach, Patino, Trujillo, Zacarías, and Mayor/Chairperson Lavagnino
NOES: None
ABSENT: None
ABSTAIN: None

Joint City Council Ordinance No. 2008-25 and RDA Ordinance 2008-01 adopted. AN ORDINANCE OF THE CITY COUNCIL AND REDEVELOPMENT AGENCY OF THE CITY OF SANTA MARIA, CALIFORNIA, AMENDING THE WESTSIDE REVITALIZATION GUIDELINES, AMENDING THE AREA OF THE ENTRADA SPECIFIC PLAN AND ADOPTING THE DOWNTOWN SPECIFIC PLAN, FOR PROPERTY LOCATED WEST OF SCHOOL STREET, EAST OF PINE STREET, SOUTH OF FESLER STREET AND NORTH OF MORRISON AVENUE, VARIOUS ASSESSOR PARCEL NUMBERS, APPROXIMATELY 265 ACRES, FILE NO. SP-1, SPZ-2004-001.

Joint City Council Ordinance No. 2008-26 and RDA Ordinance 2008-02 adopted. AN ORDINANCE OF THE CITY COUNCIL AND REDEVELOPMENT AGENCY OF THE CITY OF SANTA MARIA, CALIFORNIA, REZONING APPROXIMATELY 265 ACRES OF PROPERTY LOCATED WEST OF SCHOOL STREET, EAST OF PINE STREET, SOUTH OF FESLER STREET, AND NORTH OF MORRISON AVENUE, VARIOUS ASSESSOR PARCEL NUMBERS, FILE NO. GPZ-2008-004.

Mayor Lavagnino adjourned the Joint City Council/Redevelopment Agency Meeting and reconvened the Regular City Council Meeting.

PROPOSITION 50 INTEGRATED REGIONAL WATER MANAGEMENT PLAN SUBGRANT AGREEMENT AND MEMORANDUM OF UNDERSTANDING WITH THE SANTA BARBARA COUNTY WATER AGENCY.

Director of Utilities Sweet gave the staff report. The City Council is requested to adopt a resolution approving a Proposition 50, Round Two, Step Two Integrated Regional Water Management Subgrant Agreement with the Santa Barbara County Water Agency (Agency) relating to the State Water Resources Control Board's approved grant funding for the Wastewater Treatment Plant Expansion Phase II Project in the amount of $4.8 million, and approving a Memorandum of Understanding between the Agency and other local agencies and special districts for grant administration and receipt of the Proposition 50 grant funds. California's Prop 50 grants are the result of the Water Security, Clean Drinking Water, Coastal and Beach Protection Act of 2002, and provide funding for a range of water-related plans and projects. Since 2006, the City has been involved in an effort, coordinated through the Agency, to prepare a Countywide Integrated Regional Water Management Plan (IRWMP) involving 29 water agencies. This same effort resulted in the submission of a January 14, 2008, Prop 50, Round Two, Step Two grant application to fund $25 million in significant projects identified in the IRWMP. Two out of the 15 projects within the grant proposal were beneficial to the City: the Wastewater Treatment Plant Expansion Phase II Project submitted by the City and a Levee Reconstruction Feasibility Study submitted by the County Flood Control District. On June 3, 2008, the State Water Resources Control Board approved draft funding recommendations of $25 million for Santa Barbara County including $4.8 million for the Wastewater Treatment Plant Expansion Phase II Project. The State Water Resources Control Board requires that the Prop 50 Grant Agreement be entered into with a single recipient representing the IRWMP region. The Santa Barbara County Water Agency is willing to serve as the single grantee under the grant agreement and

will act as the administrator of the grant entering into subgrant agreements with the project proponents. Grant funds will be dispersed to the Agency, and the Agency will reallocate the funds to the project proponents for activities associated with the Prop 50 projects.

Ernest Armenta asked what the grant was for.

Director Sweet explained that the $19.6 million Wastewater Treatment Plant Expansion Phase II project was currently under construction, and the $4.8 million grant would help pay for a portion of the construction costs.

Resolution No. 2008-171 was adopted (1) approving a Proposition 50, Round Two, Step Two Integrated Regional Water Management Subgrant Agreement and (2) approving a Memorandum of Understanding with the Santa Barbara County Water Agency on motion by Councilmember Orach, seconded by Councilmember Patino, and carried on the following roll-call vote:

AYES: Councilmembers Orach, Patino, Trujillo, Zacarías, and Mayor Lavagnino
NOES: None
ABSENT: None
ABSTAIN: None

Resolution No. 2008-171 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING THE PROPOSITION 50, ROUND TWO, STEP TWO INTEGRATED REGIONAL WATER MANAGEMENT SUBGRANT AGREEMENT AND MEMORANDUM OF UNDERSTANDING BY AND BETWEEN THE SANTA BARBARA COUNTY WATER AGENCY, THE CITY, AND THE PROJECT PROPONENTS FOR GRANT ADMINISTRATION AND THE RECEIPT OF FUNDS.

QUARTERLY FINANCIAL REPORT FOR THE FIRST QUARTER ENDING SEPTEMBER 30, 2008, AND A BUDGET AMENDMENT REPORT FOR FISCAL YEAR 2008-09.

Director of Administrative Services Snodgrass gave the staff report. With 25 percent of the year complete, revenues are at 16.3 percent of projections while expenditures are at 23.9 percent of appropriations. Total revenue and transfers are $9 million which is $998,400 more than last year. Departmental expenditures are $13.3 million, approximately $301,300 more than the prior year. Operating costs are less than budgeted totaling 23.9 percent for the year. In the Water/Wastewater Fund, revenues exceeded expenses by $1.1 million, primarily as a result of Department of Water Resources and Central Coast Water Authority fixed costs for Fiscal Year 2008-09 which are paid a year in advance as required by agreements. In the Solid Waste Fund, refuse expenses exceeded revenues by $2.8 million as a result of one-time capital expenditures during the first quarter. The State of California budget gap is estimated to be between $5 and $8 million. The Governor has said he would call the Legislature into a special session on November 5th to deal with the crisis, and he has declared a state of emergency. This is a real concern for cities because the words used in the declaration of emergency are the precise language required to enact borrowing of Proposition 1A and 43. The State may decide to cure its budget woes by borrowing from municipalities. The City has positioned itself well for this crisis and will weather the storm. A budget amendment report is included for Council's consideration.

Mayor Lavagnino commended Director Snodgrass and the financial team for their excellent work in keeping the City in good financial condition.

Councilmember Orach commended City staff for their hard work with limited resources.

Councilmember Trujillo also commended Director Snodgrass, City Manager Ness, and City staff for their work in keeping the City solvent.

City Manager Ness announced that an amended Resolution No. 2008-172 was being presented adding a budget allocation related to the purchase of the new Police station which was approved in Closed Session.

Councilmember Zacarías asked why the $155,000 for the City's share of the Pioneer Valley High School swimming pool had not been included in the budget.

Director Snodgrass explained that it was an oversight.

Amended Resolution No. 2008-172 was adopted approving amendments to the budget for fiscal year 2008-09 and authorizing the City Manager to implement same on motion by Councilmember Orach, seconded by Councilmember Zacarías, and carried on the following vote:

AYES: Councilmembers Orach, Patino, Trujillo, Zacarías, and Mayor Lavagnino
NOES: None
ABSENT: None
ABSTAIN: None

Resolution No. 2008-172 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, APPROVING AMENDMENTS TO THE BUDGET FOR FISCAL YEAR 2008-09 AND AUTHORIZING THE CITY MANAGER TO IMPLEMENT SAME.

Resolution No. 2008-173 to be adopted amending Appendix "A" of the City's Conflict of Interest Code to reflect classification changes on motion by Councilmember Orach, seconded by Councilmember Zacarías, and carried on the following vote:

AYES: Councilmembers Orach, Patino, Trujillo, Zacarías, and Mayor Lavagnino
NOES: None
ABSENT: None
ABSTAIN: None

Resolution No. 2008-173 adopted. A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF SANTA MARIA, CALIFORNIA, AMENDING APPENDIX "A" OF THE CONFLICT OF INTEREST CODE FOR DESIGNATED FILERS OF THE CITY OF SANTA MARIA.

CITY MANAGER'S REPORT

City Manager Ness reported on anticipated items for the November 18, 2008, City Council meeting including recommendations from the Block Grant Advisory Committee regarding Youth Services Grant allocations, a proposed ordinance regarding rules of conduct at the new Library, and a one-year anniversary report on the Massage Ordinance.

ORAL REPORTS BY COUNCILMEMBERS

Councilmember Orach thanked the residents who voted today. He asked anyone who happened to see one of his signs to remove and recycle it.

Councilmember Zacarías reported on an event at Rice Elementary School for Parents Involved for Quality Education. When families successfully complete the training, the children receive a guaranteed admission to a Cal State school. She and all members of the City Council attended the dedication of Lavagnino Plaza. She thanked Mayor Lavagnino and his wife, Donna, for the donation of the bronze statue of two children reading books.

Mayor Lavagnino reported that he attended the Empty Bowls event for the Santa Barbara County Food Bank, met with Minuteman Civil Defense Corps representatives, attended the Domestic Violence fundraiser at the Santa Maria Country Club and the Filipino Community dinner, spoke at the Country Oaks Care Center family meeting, unveiled the bronze statue at the Library, attended the charter meeting of the Astra Club

at Pioneer Valley High School and the Multi-cultural Literacy Festival at Lavagnino Plaza.

Councilmember Patino reported she and the other Councilmembers attended Joseph Sapien's funeral, on November 3rd she spoke to the Hispanic Business Community, and on Sunday she attended the Multi-Cultural Literacy Festival.

Councilmember Trujillo reported he spoke at the Santa Maria Wisdom Senior Center.

ADJOURNMENT
There being no further business to come before the City Council at this time, the meeting was declared adjourned by Mayor Lavagnino at 7:35 p.m.

APPROVED

November 18, 2008
Date

Chief Deputy City Clerk of the City of Santa Maria and ex officio Clerk of the City Council

ATTEST

Chief Deputy City Clerk

Mayor of the City of Santa Maria